

1 AN ACT in relation to technology.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The State Finance Act is amended by adding
5 Sections 5.545, 5.546, 6z-47, and 6z-48 as follows:

6 (30 ILCS 105/5.545 new)

7 Sec 5.545. Digital Divide Fund.

8 (30 ILCS 105/5.546 new)

9 Sec 5.546. Information Technology Fund.

10 (30 ILCS 105/6z-47 new)

11 Sec. 6z-47. Digital Divide Fund. The Digital Divide
12 Fund is created as a special fund in the State treasury. The
13 Fund shall consist of moneys deposited into the Fund as
14 provided in Section 9 of the Use Tax Act and Section 9 of the
15 Service Use Tax Act. The Department of Commerce and
16 Community Affairs, subject to appropriation for that purpose,
17 shall use the moneys in the Fund to promote information
18 technology and the information technology industry in digital
19 divide communities through education, research, and public
20 infrastructure improvements. As used in this Section,
21 "digital divide" means that term as described in Section 5-3
22 of the Eliminate the Digital Divide Law.

23 (30 ILCS 105/6z-48 new)

24 Sec. 6z-48. Information Technology Fund. The
25 Information Technology Fund is created as a special fund in
26 the State treasury. The Fund shall consist of moneys
27 deposited into the Fund as provided in Section 9 of the Use
28 Tax Act and Section 9 of the Service Use Tax Act. The

1 Department of Commerce and Community Affairs, subject to
2 appropriation for that purpose, shall use the moneys in the
3 Fund to promote information technology and the information
4 technology industry through education, research, and public
5 infrastructure improvements.

6 Section 10. The Use Tax Act is amended by changing
7 Section 9 as follows:

8 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

9 Sec. 9. Except as to motor vehicles, watercraft,
10 aircraft, and trailers that are required to be registered
11 with an agency of this State, each retailer required or
12 authorized to collect the tax imposed by this Act shall pay
13 to the Department the amount of such tax (except as otherwise
14 provided) at the time when he is required to file his return
15 for the period during which such tax was collected, less a
16 discount of 2.1% prior to January 1, 1990, and 1.75% on and
17 after January 1, 1990, or \$5 per calendar year, whichever is
18 greater, which is allowed to reimburse the retailer for
19 expenses incurred in collecting the tax, keeping records,
20 preparing and filing returns, remitting the tax and supplying
21 data to the Department on request. In the case of retailers
22 who report and pay the tax on a transaction by transaction
23 basis, as provided in this Section, such discount shall be
24 taken with each such tax remittance instead of when such
25 retailer files his periodic return. A retailer need not
26 remit that part of any tax collected by him to the extent
27 that he is required to remit and does remit the tax imposed
28 by the Retailers' Occupation Tax Act, with respect to the
29 sale of the same property.

30 Where such tangible personal property is sold under a
31 conditional sales contract, or under any other form of sale
32 wherein the payment of the principal sum, or a part thereof,

1 is extended beyond the close of the period for which the
2 return is filed, the retailer, in collecting the tax (except
3 as to motor vehicles, watercraft, aircraft, and trailers that
4 are required to be registered with an agency of this State),
5 may collect for each tax return period, only the tax
6 applicable to that part of the selling price actually
7 received during such tax return period.

8 Except as provided in this Section, on or before the
9 twentieth day of each calendar month, such retailer shall
10 file a return for the preceding calendar month. Such return
11 shall be filed on forms prescribed by the Department and
12 shall furnish such information as the Department may
13 reasonably require.

14 The Department may require returns to be filed on a
15 quarterly basis. If so required, a return for each calendar
16 quarter shall be filed on or before the twentieth day of the
17 calendar month following the end of such calendar quarter.
18 The taxpayer shall also file a return with the Department for
19 each of the first two months of each calendar quarter, on or
20 before the twentieth day of the following calendar month,
21 stating:

- 22 1. The name of the seller;
- 23 2. The address of the principal place of business
24 from which he engages in the business of selling tangible
25 personal property at retail in this State;
- 26 3. The total amount of taxable receipts received by
27 him during the preceding calendar month from sales of
28 tangible personal property by him during such preceding
29 calendar month, including receipts from charge and time
30 sales, but less all deductions allowed by law;
- 31 4. The amount of credit provided in Section 2d of
32 this Act;
- 33 5. The amount of tax due;
- 34 5-5. The signature of the taxpayer; and

1 6. Such other reasonable information as the
2 Department may require.

3 If a taxpayer fails to sign a return within 30 days after
4 the proper notice and demand for signature by the Department,
5 the return shall be considered valid and any amount shown to
6 be due on the return shall be deemed assessed.

7 Beginning October 1, 1993, a taxpayer who has an average
8 monthly tax liability of \$150,000 or more shall make all
9 payments required by rules of the Department by electronic
10 funds transfer. Beginning October 1, 1994, a taxpayer who has
11 an average monthly tax liability of \$100,000 or more shall
12 make all payments required by rules of the Department by
13 electronic funds transfer. Beginning October 1, 1995, a
14 taxpayer who has an average monthly tax liability of \$50,000
15 or more shall make all payments required by rules of the
16 Department by electronic funds transfer. Beginning October 1,
17 2000, a taxpayer who has an annual tax liability of \$200,000
18 or more shall make all payments required by rules of the
19 Department by electronic funds transfer. The term "annual
20 tax liability" shall be the sum of the taxpayer's liabilities
21 under this Act, and under all other State and local
22 occupation and use tax laws administered by the Department,
23 for the immediately preceding calendar year. The term
24 "average monthly tax liability" means the sum of the
25 taxpayer's liabilities under this Act, and under all other
26 State and local occupation and use tax laws administered by
27 the Department, for the immediately preceding calendar year
28 divided by 12.

29 Before August 1 of each year beginning in 1993, the
30 Department shall notify all taxpayers required to make
31 payments by electronic funds transfer. All taxpayers required
32 to make payments by electronic funds transfer shall make
33 those payments for a minimum of one year beginning on October
34 1.

1 Any taxpayer not required to make payments by electronic
2 funds transfer may make payments by electronic funds transfer
3 with the permission of the Department.

4 All taxpayers required to make payment by electronic
5 funds transfer and any taxpayers authorized to voluntarily
6 make payments by electronic funds transfer shall make those
7 payments in the manner authorized by the Department.

8 The Department shall adopt such rules as are necessary to
9 effectuate a program of electronic funds transfer and the
10 requirements of this Section.

11 Before October 1, 2000, if the taxpayer's average monthly
12 tax liability to the Department under this Act, the
13 Retailers' Occupation Tax Act, the Service Occupation Tax
14 Act, the Service Use Tax Act was \$10,000 or more during the
15 preceding 4 complete calendar quarters, he shall file a
16 return with the Department each month by the 20th day of the
17 month next following the month during which such tax
18 liability is incurred and shall make payments to the
19 Department on or before the 7th, 15th, 22nd and last day of
20 the month during which such liability is incurred. On and
21 after October 1, 2000, if the taxpayer's average monthly tax
22 liability to the Department under this Act, the Retailers'
23 Occupation Tax Act, the Service Occupation Tax Act, and the
24 Service Use Tax Act was \$20,000 or more during the preceding
25 4 complete calendar quarters, he shall file a return with the
26 Department each month by the 20th day of the month next
27 following the month during which such tax liability is
28 incurred and shall make payment to the Department on or
29 before the 7th, 15th, 22nd and last day of the month during
30 which such liability is incurred. If the month during which
31 such tax liability is incurred began prior to January 1,
32 1985, each payment shall be in an amount equal to 1/4 of the
33 taxpayer's actual liability for the month or an amount set by
34 the Department not to exceed 1/4 of the average monthly

1 liability of the taxpayer to the Department for the preceding
2 4 complete calendar quarters (excluding the month of highest
3 liability and the month of lowest liability in such 4 quarter
4 period). If the month during which such tax liability is
5 incurred begins on or after January 1, 1985, and prior to
6 January 1, 1987, each payment shall be in an amount equal to
7 22.5% of the taxpayer's actual liability for the month or
8 27.5% of the taxpayer's liability for the same calendar month
9 of the preceding year. If the month during which such tax
10 liability is incurred begins on or after January 1, 1987, and
11 prior to January 1, 1988, each payment shall be in an amount
12 equal to 22.5% of the taxpayer's actual liability for the
13 month or 26.25% of the taxpayer's liability for the same
14 calendar month of the preceding year. If the month during
15 which such tax liability is incurred begins on or after
16 January 1, 1988, and prior to January 1, 1989, or begins on
17 or after January 1, 1996, each payment shall be in an amount
18 equal to 22.5% of the taxpayer's actual liability for the
19 month or 25% of the taxpayer's liability for the same
20 calendar month of the preceding year. If the month during
21 which such tax liability is incurred begins on or after
22 January 1, 1989, and prior to January 1, 1996, each payment
23 shall be in an amount equal to 22.5% of the taxpayer's actual
24 liability for the month or 25% of the taxpayer's liability
25 for the same calendar month of the preceding year or 100% of
26 the taxpayer's actual liability for the quarter monthly
27 reporting period. The amount of such quarter monthly
28 payments shall be credited against the final tax liability of
29 the taxpayer's return for that month. Before October 1,
30 2000, once applicable, the requirement of the making of
31 quarter monthly payments to the Department shall continue
32 until such taxpayer's average monthly liability to the
33 Department during the preceding 4 complete calendar quarters
34 (excluding the month of highest liability and the month of

1 lowest liability) is less than \$9,000, or until such
2 taxpayer's average monthly liability to the Department as
3 computed for each calendar quarter of the 4 preceding
4 complete calendar quarter period is less than \$10,000.
5 However, if a taxpayer can show the Department that a
6 substantial change in the taxpayer's business has occurred
7 which causes the taxpayer to anticipate that his average
8 monthly tax liability for the reasonably foreseeable future
9 will fall below the \$10,000 threshold stated above, then such
10 taxpayer may petition the Department for change in such
11 taxpayer's reporting status. On and after October 1, 2000,
12 once applicable, the requirement of the making of quarter
13 monthly payments to the Department shall continue until such
14 taxpayer's average monthly liability to the Department during
15 the preceding 4 complete calendar quarters (excluding the
16 month of highest liability and the month of lowest liability)
17 is less than \$19,000 or until such taxpayer's average monthly
18 liability to the Department as computed for each calendar
19 quarter of the 4 preceding complete calendar quarter period
20 is less than \$20,000. However, if a taxpayer can show the
21 Department that a substantial change in the taxpayer's
22 business has occurred which causes the taxpayer to anticipate
23 that his average monthly tax liability for the reasonably
24 foreseeable future will fall below the \$20,000 threshold
25 stated above, then such taxpayer may petition the Department
26 for a change in such taxpayer's reporting status. The
27 Department shall change such taxpayer's reporting status
28 unless it finds that such change is seasonal in nature and
29 not likely to be long term. If any such quarter monthly
30 payment is not paid at the time or in the amount required by
31 this Section, then the taxpayer shall be liable for penalties
32 and interest on the difference between the minimum amount due
33 and the amount of such quarter monthly payment actually and
34 timely paid, except insofar as the taxpayer has previously

1 made payments for that month to the Department in excess of
2 the minimum payments previously due as provided in this
3 Section. The Department shall make reasonable rules and
4 regulations to govern the quarter monthly payment amount and
5 quarter monthly payment dates for taxpayers who file on other
6 than a calendar monthly basis.

7 If any such payment provided for in this Section exceeds
8 the taxpayer's liabilities under this Act, the Retailers'
9 Occupation Tax Act, the Service Occupation Tax Act and the
10 Service Use Tax Act, as shown by an original monthly return,
11 the Department shall issue to the taxpayer a credit
12 memorandum no later than 30 days after the date of payment,
13 which memorandum may be submitted by the taxpayer to the
14 Department in payment of tax liability subsequently to be
15 remitted by the taxpayer to the Department or be assigned by
16 the taxpayer to a similar taxpayer under this Act, the
17 Retailers' Occupation Tax Act, the Service Occupation Tax Act
18 or the Service Use Tax Act, in accordance with reasonable
19 rules and regulations to be prescribed by the Department,
20 except that if such excess payment is shown on an original
21 monthly return and is made after December 31, 1986, no credit
22 memorandum shall be issued, unless requested by the taxpayer.
23 If no such request is made, the taxpayer may credit such
24 excess payment against tax liability subsequently to be
25 remitted by the taxpayer to the Department under this Act,
26 the Retailers' Occupation Tax Act, the Service Occupation Tax
27 Act or the Service Use Tax Act, in accordance with reasonable
28 rules and regulations prescribed by the Department. If the
29 Department subsequently determines that all or any part of
30 the credit taken was not actually due to the taxpayer, the
31 taxpayer's 2.1% or 1.75% vendor's discount shall be reduced
32 by 2.1% or 1.75% of the difference between the credit taken
33 and that actually due, and the taxpayer shall be liable for
34 penalties and interest on such difference.

1 If the retailer is otherwise required to file a monthly
2 return and if the retailer's average monthly tax liability to
3 the Department does not exceed \$200, the Department may
4 authorize his returns to be filed on a quarter annual basis,
5 with the return for January, February, and March of a given
6 year being due by April 20 of such year; with the return for
7 April, May and June of a given year being due by July 20 of
8 such year; with the return for July, August and September of
9 a given year being due by October 20 of such year, and with
10 the return for October, November and December of a given year
11 being due by January 20 of the following year.

12 If the retailer is otherwise required to file a monthly
13 or quarterly return and if the retailer's average monthly tax
14 liability to the Department does not exceed \$50, the
15 Department may authorize his returns to be filed on an annual
16 basis, with the return for a given year being due by January
17 20 of the following year.

18 Such quarter annual and annual returns, as to form and
19 substance, shall be subject to the same requirements as
20 monthly returns.

21 Notwithstanding any other provision in this Act
22 concerning the time within which a retailer may file his
23 return, in the case of any retailer who ceases to engage in a
24 kind of business which makes him responsible for filing
25 returns under this Act, such retailer shall file a final
26 return under this Act with the Department not more than one
27 month after discontinuing such business.

28 In addition, with respect to motor vehicles, watercraft,
29 aircraft, and trailers that are required to be registered
30 with an agency of this State, every retailer selling this
31 kind of tangible personal property shall file, with the
32 Department, upon a form to be prescribed and supplied by the
33 Department, a separate return for each such item of tangible
34 personal property which the retailer sells, except that if,

1 in the same transaction, (i) a retailer of aircraft,
2 watercraft, motor vehicles or trailers transfers more than
3 one aircraft, watercraft, motor vehicle or trailer to another
4 aircraft, watercraft, motor vehicle or trailer retailer for
5 the purpose of resale or (ii) a retailer of aircraft,
6 watercraft, motor vehicles, or trailers transfers more than
7 one aircraft, watercraft, motor vehicle, or trailer to a
8 purchaser for use as a qualifying rolling stock as provided
9 in Section 3-55 of this Act, then that seller may report the
10 transfer of all the aircraft, watercraft, motor vehicles or
11 trailers involved in that transaction to the Department on
12 the same uniform invoice-transaction reporting return form.
13 For purposes of this Section, "watercraft" means a Class 2,
14 Class 3, or Class 4 watercraft as defined in Section 3-2 of
15 the Boat Registration and Safety Act, a personal watercraft,
16 or any boat equipped with an inboard motor.

17 The transaction reporting return in the case of motor
18 vehicles or trailers that are required to be registered with
19 an agency of this State, shall be the same document as the
20 Uniform Invoice referred to in Section 5-402 of the Illinois
21 Vehicle Code and must show the name and address of the
22 seller; the name and address of the purchaser; the amount of
23 the selling price including the amount allowed by the
24 retailer for traded-in property, if any; the amount allowed
25 by the retailer for the traded-in tangible personal property,
26 if any, to the extent to which Section 2 of this Act allows
27 an exemption for the value of traded-in property; the balance
28 payable after deducting such trade-in allowance from the
29 total selling price; the amount of tax due from the retailer
30 with respect to such transaction; the amount of tax collected
31 from the purchaser by the retailer on such transaction (or
32 satisfactory evidence that such tax is not due in that
33 particular instance, if that is claimed to be the fact); the
34 place and date of the sale; a sufficient identification of

1 the property sold; such other information as is required in
2 Section 5-402 of the Illinois Vehicle Code, and such other
3 information as the Department may reasonably require.

4 The transaction reporting return in the case of
5 watercraft and aircraft must show the name and address of the
6 seller; the name and address of the purchaser; the amount of
7 the selling price including the amount allowed by the
8 retailer for traded-in property, if any; the amount allowed
9 by the retailer for the traded-in tangible personal property,
10 if any, to the extent to which Section 2 of this Act allows
11 an exemption for the value of traded-in property; the balance
12 payable after deducting such trade-in allowance from the
13 total selling price; the amount of tax due from the retailer
14 with respect to such transaction; the amount of tax collected
15 from the purchaser by the retailer on such transaction (or
16 satisfactory evidence that such tax is not due in that
17 particular instance, if that is claimed to be the fact); the
18 place and date of the sale, a sufficient identification of
19 the property sold, and such other information as the
20 Department may reasonably require.

21 Such transaction reporting return shall be filed not
22 later than 20 days after the date of delivery of the item
23 that is being sold, but may be filed by the retailer at any
24 time sooner than that if he chooses to do so. The
25 transaction reporting return and tax remittance or proof of
26 exemption from the tax that is imposed by this Act may be
27 transmitted to the Department by way of the State agency with
28 which, or State officer with whom, the tangible personal
29 property must be titled or registered (if titling or
30 registration is required) if the Department and such agency
31 or State officer determine that this procedure will expedite
32 the processing of applications for title or registration.

33 With each such transaction reporting return, the retailer
34 shall remit the proper amount of tax due (or shall submit

1 satisfactory evidence that the sale is not taxable if that is
2 the case), to the Department or its agents, whereupon the
3 Department shall issue, in the purchaser's name, a tax
4 receipt (or a certificate of exemption if the Department is
5 satisfied that the particular sale is tax exempt) which such
6 purchaser may submit to the agency with which, or State
7 officer with whom, he must title or register the tangible
8 personal property that is involved (if titling or
9 registration is required) in support of such purchaser's
10 application for an Illinois certificate or other evidence of
11 title or registration to such tangible personal property.

12 No retailer's failure or refusal to remit tax under this
13 Act precludes a user, who has paid the proper tax to the
14 retailer, from obtaining his certificate of title or other
15 evidence of title or registration (if titling or registration
16 is required) upon satisfying the Department that such user
17 has paid the proper tax (if tax is due) to the retailer. The
18 Department shall adopt appropriate rules to carry out the
19 mandate of this paragraph.

20 If the user who would otherwise pay tax to the retailer
21 wants the transaction reporting return filed and the payment
22 of tax or proof of exemption made to the Department before
23 the retailer is willing to take these actions and such user
24 has not paid the tax to the retailer, such user may certify
25 to the fact of such delay by the retailer, and may (upon the
26 Department being satisfied of the truth of such
27 certification) transmit the information required by the
28 transaction reporting return and the remittance for tax or
29 proof of exemption directly to the Department and obtain his
30 tax receipt or exemption determination, in which event the
31 transaction reporting return and tax remittance (if a tax
32 payment was required) shall be credited by the Department to
33 the proper retailer's account with the Department, but
34 without the 2.1% or 1.75% discount provided for in this

1 Section being allowed. When the user pays the tax directly
2 to the Department, he shall pay the tax in the same amount
3 and in the same form in which it would be remitted if the tax
4 had been remitted to the Department by the retailer.

5 Where a retailer collects the tax with respect to the
6 selling price of tangible personal property which he sells
7 and the purchaser thereafter returns such tangible personal
8 property and the retailer refunds the selling price thereof
9 to the purchaser, such retailer shall also refund, to the
10 purchaser, the tax so collected from the purchaser. When
11 filing his return for the period in which he refunds such tax
12 to the purchaser, the retailer may deduct the amount of the
13 tax so refunded by him to the purchaser from any other use
14 tax which such retailer may be required to pay or remit to
15 the Department, as shown by such return, if the amount of the
16 tax to be deducted was previously remitted to the Department
17 by such retailer. If the retailer has not previously
18 remitted the amount of such tax to the Department, he is
19 entitled to no deduction under this Act upon refunding such
20 tax to the purchaser.

21 Any retailer filing a return under this Section shall
22 also include (for the purpose of paying tax thereon) the
23 total tax covered by such return upon the selling price of
24 tangible personal property purchased by him at retail from a
25 retailer, but as to which the tax imposed by this Act was not
26 collected from the retailer filing such return, and such
27 retailer shall remit the amount of such tax to the Department
28 when filing such return.

29 If experience indicates such action to be practicable,
30 the Department may prescribe and furnish a combination or
31 joint return which will enable retailers, who are required to
32 file returns hereunder and also under the Retailers'
33 Occupation Tax Act, to furnish all the return information
34 required by both Acts on the one form.

1 Where the retailer has more than one business registered
2 with the Department under separate registration under this
3 Act, such retailer may not file each return that is due as a
4 single return covering all such registered businesses, but
5 shall file separate returns for each such registered
6 business.

7 Beginning January 1, 1990, each month the Department
8 shall pay into the State and Local Sales Tax Reform Fund, a
9 special fund in the State Treasury which is hereby created,
10 the net revenue realized for the preceding month from the 1%
11 tax on sales of food for human consumption which is to be
12 consumed off the premises where it is sold (other than
13 alcoholic beverages, soft drinks and food which has been
14 prepared for immediate consumption) and prescription and
15 nonprescription medicines, drugs, medical appliances and
16 insulin, urine testing materials, syringes and needles used
17 by diabetics.

18 Beginning January 1, 1990, each month the Department
19 shall pay into the County and Mass Transit District Fund 4%
20 of the net revenue realized for the preceding month from the
21 6.25% general rate on the selling price of tangible personal
22 property which is purchased outside Illinois at retail from a
23 retailer and which is titled or registered by an agency of
24 this State's government.

25 Beginning January 1, 1990, each month the Department
26 shall pay into the State and Local Sales Tax Reform Fund, a
27 special fund in the State Treasury, 20% of the net revenue
28 realized for the preceding month from the 6.25% general rate
29 on the selling price of tangible personal property, other
30 than tangible personal property which is purchased outside
31 Illinois at retail from a retailer and which is titled or
32 registered by an agency of this State's government.

33 Beginning August 1, 2000, each month the Department shall
34 pay into the State and Local Sales Tax Reform Fund 100% of

1 the net revenue realized for the preceding month from the
2 1.25% rate on the selling price of motor fuel and gasohol.

3 Beginning January 1, 1990, each month the Department
4 shall pay into the Local Government Tax Fund 16% of the net
5 revenue realized for the preceding month from the 6.25%
6 general rate on the selling price of tangible personal
7 property which is purchased outside Illinois at retail from a
8 retailer and which is titled or registered by an agency of
9 this State's government.

10 Of the remainder of the moneys received by the Department
11 pursuant to this Act, (a) 1.75% thereof shall be paid into
12 the Build Illinois Fund and (b) prior to July 1, 1989, 2.2%
13 and on and after July 1, 1989, 3.8% thereof shall be paid
14 into the Build Illinois Fund; provided, however, that if in
15 any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%,
16 as the case may be, of the moneys received by the Department
17 and required to be paid into the Build Illinois Fund pursuant
18 to Section 3 of the Retailers' Occupation Tax Act, Section 9
19 of the Use Tax Act, Section 9 of the Service Use Tax Act, and
20 Section 9 of the Service Occupation Tax Act, such Acts being
21 hereinafter called the "Tax Acts" and such aggregate of 2.2%
22 or 3.8%, as the case may be, of moneys being hereinafter
23 called the "Tax Act Amount", and (2) the amount transferred
24 to the Build Illinois Fund from the State and Local Sales Tax
25 Reform Fund shall be less than the Annual Specified Amount
26 (as defined in Section 3 of the Retailers' Occupation Tax
27 Act), an amount equal to the difference shall be immediately
28 paid into the Build Illinois Fund from other moneys received
29 by the Department pursuant to the Tax Acts; and further
30 provided, that if on the last business day of any month the
31 sum of (1) the Tax Act Amount required to be deposited into
32 the Build Illinois Bond Account in the Build Illinois Fund
33 during such month and (2) the amount transferred during such
34 month to the Build Illinois Fund from the State and Local

1 Sales Tax Reform Fund shall have been less than 1/12 of the
2 Annual Specified Amount, an amount equal to the difference
3 shall be immediately paid into the Build Illinois Fund from
4 other moneys received by the Department pursuant to the Tax
5 Acts; and, further provided, that in no event shall the
6 payments required under the preceding proviso result in
7 aggregate payments into the Build Illinois Fund pursuant to
8 this clause (b) for any fiscal year in excess of the greater
9 of (i) the Tax Act Amount or (ii) the Annual Specified Amount
10 for such fiscal year; and, further provided, that the amounts
11 payable into the Build Illinois Fund under this clause (b)
12 shall be payable only until such time as the aggregate amount
13 on deposit under each trust indenture securing Bonds issued
14 and outstanding pursuant to the Build Illinois Bond Act is
15 sufficient, taking into account any future investment income,
16 to fully provide, in accordance with such indenture, for the
17 defeasance of or the payment of the principal of, premium, if
18 any, and interest on the Bonds secured by such indenture and
19 on any Bonds expected to be issued thereafter and all fees
20 and costs payable with respect thereto, all as certified by
21 the Director of the Bureau of the Budget. If on the last
22 business day of any month in which Bonds are outstanding
23 pursuant to the Build Illinois Bond Act, the aggregate of the
24 moneys deposited in the Build Illinois Bond Account in the
25 Build Illinois Fund in such month shall be less than the
26 amount required to be transferred in such month from the
27 Build Illinois Bond Account to the Build Illinois Bond
28 Retirement and Interest Fund pursuant to Section 13 of the
29 Build Illinois Bond Act, an amount equal to such deficiency
30 shall be immediately paid from other moneys received by the
31 Department pursuant to the Tax Acts to the Build Illinois
32 Fund; provided, however, that any amounts paid to the Build
33 Illinois Fund in any fiscal year pursuant to this sentence
34 shall be deemed to constitute payments pursuant to clause (b)

1 of the preceding sentence and shall reduce the amount
 2 otherwise payable for such fiscal year pursuant to clause (b)
 3 of the preceding sentence. The moneys received by the
 4 Department pursuant to this Act and required to be deposited
 5 into the Build Illinois Fund are subject to the pledge, claim
 6 and charge set forth in Section 12 of the Build Illinois Bond
 7 Act.

8 Subject to payment of amounts into the Build Illinois
 9 Fund as provided in the preceding paragraph or in any
 10 amendment thereto hereafter enacted, the following specified
 11 monthly installment of the amount requested in the
 12 certificate of the Chairman of the Metropolitan Pier and
 13 Exposition Authority provided under Section 8.25f of the
 14 State Finance Act, but not in excess of the sums designated
 15 as "Total Deposit", shall be deposited in the aggregate from
 16 collections under Section 9 of the Use Tax Act, Section 9 of
 17 the Service Use Tax Act, Section 9 of the Service Occupation
 18 Tax Act, and Section 3 of the Retailers' Occupation Tax Act
 19 into the McCormick Place Expansion Project Fund in the
 20 specified fiscal years.

21	Fiscal Year	Total Deposit
22	1993	\$0
23	1994	53,000,000
24	1995	58,000,000
25	1996	61,000,000
26	1997	64,000,000
27	1998	68,000,000
28	1999	71,000,000
29	2000	75,000,000
30	2001	80,000,000
31	2002	84,000,000
32	2003	89,000,000
33	2004	93,000,000
34	2005	97,000,000

1	2006	102,000,000
2	2007	108,000,000
3	2008	115,000,000
4	2009	120,000,000
5	2010	126,000,000
6	2011	132,000,000
7	2012	138,000,000
8	2013 and	145,000,000

9 each fiscal year
10 thereafter that bonds
11 are outstanding under
12 Section 13.2 of the
13 Metropolitan Pier and
14 Exposition Authority
15 Act, but not after fiscal year 2029.

16 Beginning July 20, 1993 and in each month of each fiscal
17 year thereafter, one-eighth of the amount requested in the
18 certificate of the Chairman of the Metropolitan Pier and
19 Exposition Authority for that fiscal year, less the amount
20 deposited into the McCormick Place Expansion Project Fund by
21 the State Treasurer in the respective month under subsection
22 (g) of Section 13 of the Metropolitan Pier and Exposition
23 Authority Act, plus cumulative deficiencies in the deposits
24 required under this Section for previous months and years,
25 shall be deposited into the McCormick Place Expansion Project
26 Fund, until the full amount requested for the fiscal year,
27 but not in excess of the amount specified above as "Total
28 Deposit", has been deposited.

29 Subject to payment of amounts into the Build Illinois
30 Fund and the McCormick Place Expansion Project Fund pursuant
31 to the preceding paragraphs or in any amendment thereto
32 hereafter enacted, each month the Department shall pay into
33 the Local Government Distributive Fund .4% of the net revenue
34 realized for the preceding month from the 5% general rate, or

1 .4% of 80% of the net revenue realized for the preceding
2 month from the 6.25% general rate, as the case may be, on the
3 selling price of tangible personal property which amount
4 shall, subject to appropriation, be distributed as provided
5 in Section 2 of the State Revenue Sharing Act. No payments or
6 distributions pursuant to this paragraph shall be made if the
7 tax imposed by this Act on photoprocessing products is
8 declared unconstitutional, or if the proceeds from such tax
9 are unavailable for distribution because of litigation.

10 Subject to payment of amounts into the Build Illinois
11 Fund, the McCormick Place Expansion Project Fund, and the
12 Local Government Distributive Fund pursuant to the preceding
13 paragraphs or in any amendments thereto hereafter enacted,
14 beginning July 1, 1993, the Department shall each month pay
15 into the Illinois Tax Increment Fund 0.27% of 80% of the net
16 revenue realized for the preceding month from the 6.25%
17 general rate on the selling price of tangible personal
18 property.

19 Of the remainder of the moneys received by the Department
20 pursuant to this Act, (1) 75% thereof shall be paid as
21 follows: (A) for that portion from Internet sales, phone
22 order sales, and direct-mail sales, 40.15% shall be paid into
23 the Common School Fund, 19.7% shall be paid into the Digital
24 Divide Fund, and 40.15% shall be paid into the Information
25 Technology Fund; and (B) the remainder shall be paid into the
26 State Treasury and 25% shall be reserved in a special account
27 and used only for the transfer to the Common School Fund as
28 part of the monthly transfer from the General Revenue Fund in
29 accordance with Section 8a of the State Finance Act.

30 As soon as possible after the first day of each month,
31 upon certification of the Department of Revenue, the
32 Comptroller shall order transferred and the Treasurer shall
33 transfer from the General Revenue Fund to the Motor Fuel Tax
34 Fund an amount equal to 1.7% of 80% of the net revenue

1 realized under this Act for the second preceding month.
2 Beginning April 1, 2000, this transfer is no longer required
3 and shall not be made.

4 Net revenue realized for a month shall be the revenue
5 collected by the State pursuant to this Act, less the amount
6 paid out during that month as refunds to taxpayers for
7 overpayment of liability.

8 For greater simplicity of administration, manufacturers,
9 importers and wholesalers whose products are sold at retail
10 in Illinois by numerous retailers, and who wish to do so, may
11 assume the responsibility for accounting and paying to the
12 Department all tax accruing under this Act with respect to
13 such sales, if the retailers who are affected do not make
14 written objection to the Department to this arrangement.

15 (Source: P.A. 90-491, eff. 1-1-99; 90-612, eff. 7-8-98;
16 91-37, eff. 7-1-99; 91-51, eff. 6-30-99; 91-101, eff.
17 7-12-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00; 91-901,
18 eff. 1-1-01; revised 8-30-00.)

19 Section 15. The Service Use Tax Act is amended by
20 changing Section 9 as follows:

21 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

22 Sec. 9. Each serviceman required or authorized to
23 collect the tax herein imposed shall pay to the Department
24 the amount of such tax (except as otherwise provided) at the
25 time when he is required to file his return for the period
26 during which such tax was collected, less a discount of 2.1%
27 prior to January 1, 1990 and 1.75% on and after January 1,
28 1990, or \$5 per calendar year, whichever is greater, which is
29 allowed to reimburse the serviceman for expenses incurred in
30 collecting the tax, keeping records, preparing and filing
31 returns, remitting the tax and supplying data to the
32 Department on request. A serviceman need not remit that part

1 of any tax collected by him to the extent that he is required
2 to pay and does pay the tax imposed by the Service Occupation
3 Tax Act with respect to his sale of service involving the
4 incidental transfer by him of the same property.

5 Except as provided hereinafter in this Section, on or
6 before the twentieth day of each calendar month, such
7 serviceman shall file a return for the preceding calendar
8 month in accordance with reasonable Rules and Regulations to
9 be promulgated by the Department. Such return shall be filed
10 on a form prescribed by the Department and shall contain such
11 information as the Department may reasonably require.

12 The Department may require returns to be filed on a
13 quarterly basis. If so required, a return for each calendar
14 quarter shall be filed on or before the twentieth day of the
15 calendar month following the end of such calendar quarter.
16 The taxpayer shall also file a return with the Department for
17 each of the first two months of each calendar quarter, on or
18 before the twentieth day of the following calendar month,
19 stating:

- 20 1. The name of the seller;
- 21 2. The address of the principal place of business
22 from which he engages in business as a serviceman in this
23 State;
- 24 3. The total amount of taxable receipts received by
25 him during the preceding calendar month, including
26 receipts from charge and time sales, but less all
27 deductions allowed by law;
- 28 4. The amount of credit provided in Section 2d of
29 this Act;
- 30 5. The amount of tax due;
- 31 5-5. The signature of the taxpayer; and
- 32 6. Such other reasonable information as the
33 Department may require.

34 If a taxpayer fails to sign a return within 30 days after

1 the proper notice and demand for signature by the Department,
2 the return shall be considered valid and any amount shown to
3 be due on the return shall be deemed assessed.

4 Beginning October 1, 1993, a taxpayer who has an average
5 monthly tax liability of \$150,000 or more shall make all
6 payments required by rules of the Department by electronic
7 funds transfer. Beginning October 1, 1994, a taxpayer who
8 has an average monthly tax liability of \$100,000 or more
9 shall make all payments required by rules of the Department
10 by electronic funds transfer. Beginning October 1, 1995, a
11 taxpayer who has an average monthly tax liability of \$50,000
12 or more shall make all payments required by rules of the
13 Department by electronic funds transfer. Beginning October 1,
14 2000, a taxpayer who has an annual tax liability of \$200,000
15 or more shall make all payments required by rules of the
16 Department by electronic funds transfer. The term "annual
17 tax liability" shall be the sum of the taxpayer's liabilities
18 under this Act, and under all other State and local
19 occupation and use tax laws administered by the Department,
20 for the immediately preceding calendar year. The term
21 "average monthly tax liability" means the sum of the
22 taxpayer's liabilities under this Act, and under all other
23 State and local occupation and use tax laws administered by
24 the Department, for the immediately preceding calendar year
25 divided by 12.

26 Before August 1 of each year beginning in 1993, the
27 Department shall notify all taxpayers required to make
28 payments by electronic funds transfer. All taxpayers required
29 to make payments by electronic funds transfer shall make
30 those payments for a minimum of one year beginning on October
31 1.

32 Any taxpayer not required to make payments by electronic
33 funds transfer may make payments by electronic funds transfer
34 with the permission of the Department.

1 All taxpayers required to make payment by electronic
2 funds transfer and any taxpayers authorized to voluntarily
3 make payments by electronic funds transfer shall make those
4 payments in the manner authorized by the Department.

5 The Department shall adopt such rules as are necessary to
6 effectuate a program of electronic funds transfer and the
7 requirements of this Section.

8 If the serviceman is otherwise required to file a monthly
9 return and if the serviceman's average monthly tax liability
10 to the Department does not exceed \$200, the Department may
11 authorize his returns to be filed on a quarter annual basis,
12 with the return for January, February and March of a given
13 year being due by April 20 of such year; with the return for
14 April, May and June of a given year being due by July 20 of
15 such year; with the return for July, August and September of
16 a given year being due by October 20 of such year, and with
17 the return for October, November and December of a given year
18 being due by January 20 of the following year.

19 If the serviceman is otherwise required to file a monthly
20 or quarterly return and if the serviceman's average monthly
21 tax liability to the Department does not exceed \$50, the
22 Department may authorize his returns to be filed on an annual
23 basis, with the return for a given year being due by January
24 20 of the following year.

25 Such quarter annual and annual returns, as to form and
26 substance, shall be subject to the same requirements as
27 monthly returns.

28 Notwithstanding any other provision in this Act
29 concerning the time within which a serviceman may file his
30 return, in the case of any serviceman who ceases to engage in
31 a kind of business which makes him responsible for filing
32 returns under this Act, such serviceman shall file a final
33 return under this Act with the Department not more than 1
34 month after discontinuing such business.

1 Where a serviceman collects the tax with respect to the
2 selling price of property which he sells and the purchaser
3 thereafter returns such property and the serviceman refunds
4 the selling price thereof to the purchaser, such serviceman
5 shall also refund, to the purchaser, the tax so collected
6 from the purchaser. When filing his return for the period in
7 which he refunds such tax to the purchaser, the serviceman
8 may deduct the amount of the tax so refunded by him to the
9 purchaser from any other Service Use Tax, Service Occupation
10 Tax, retailers' occupation tax or use tax which such
11 serviceman may be required to pay or remit to the Department,
12 as shown by such return, provided that the amount of the tax
13 to be deducted shall previously have been remitted to the
14 Department by such serviceman. If the serviceman shall not
15 previously have remitted the amount of such tax to the
16 Department, he shall be entitled to no deduction hereunder
17 upon refunding such tax to the purchaser.

18 Any serviceman filing a return hereunder shall also
19 include the total tax upon the selling price of tangible
20 personal property purchased for use by him as an incident to
21 a sale of service, and such serviceman shall remit the amount
22 of such tax to the Department when filing such return.

23 If experience indicates such action to be practicable,
24 the Department may prescribe and furnish a combination or
25 joint return which will enable servicemen, who are required
26 to file returns hereunder and also under the Service
27 Occupation Tax Act, to furnish all the return information
28 required by both Acts on the one form.

29 Where the serviceman has more than one business
30 registered with the Department under separate registration
31 hereunder, such serviceman shall not file each return that is
32 due as a single return covering all such registered
33 businesses, but shall file separate returns for each such
34 registered business.

1 Beginning January 1, 1990, each month the Department
2 shall pay into the State and Local Tax Reform Fund, a special
3 fund in the State Treasury, the net revenue realized for the
4 preceding month from the 1% tax on sales of food for human
5 consumption which is to be consumed off the premises where it
6 is sold (other than alcoholic beverages, soft drinks and food
7 which has been prepared for immediate consumption) and
8 prescription and nonprescription medicines, drugs, medical
9 appliances and insulin, urine testing materials, syringes and
10 needles used by diabetics.

11 Beginning January 1, 1990, each month the Department
12 shall pay into the State and Local Sales Tax Reform Fund 20%
13 of the net revenue realized for the preceding month from the
14 6.25% general rate on transfers of tangible personal
15 property, other than tangible personal property which is
16 purchased outside Illinois at retail from a retailer and
17 which is titled or registered by an agency of this State's
18 government.

19 Beginning August 1, 2000, each month the Department shall
20 pay into the State and Local Sales Tax Reform Fund 100% of
21 the net revenue realized for the preceding month from the
22 1.25% rate on the selling price of motor fuel and gasohol.

23 Of the remainder of the moneys received by the Department
24 pursuant to this Act, (a) 1.75% thereof shall be paid into
25 the Build Illinois Fund and (b) prior to July 1, 1989, 2.2%
26 and on and after July 1, 1989, 3.8% thereof shall be paid
27 into the Build Illinois Fund; provided, however, that if in
28 any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%,
29 as the case may be, of the moneys received by the Department
30 and required to be paid into the Build Illinois Fund pursuant
31 to Section 3 of the Retailers' Occupation Tax Act, Section 9
32 of the Use Tax Act, Section 9 of the Service Use Tax Act, and
33 Section 9 of the Service Occupation Tax Act, such Acts being
34 hereinafter called the "Tax Acts" and such aggregate of 2.2%

1 or 3.8%, as the case may be, of moneys being hereinafter
2 called the "Tax Act Amount", and (2) the amount transferred
3 to the Build Illinois Fund from the State and Local Sales Tax
4 Reform Fund shall be less than the Annual Specified Amount
5 (as defined in Section 3 of the Retailers' Occupation Tax
6 Act), an amount equal to the difference shall be immediately
7 paid into the Build Illinois Fund from other moneys received
8 by the Department pursuant to the Tax Acts; and further
9 provided, that if on the last business day of any month the
10 sum of (1) the Tax Act Amount required to be deposited into
11 the Build Illinois Bond Account in the Build Illinois Fund
12 during such month and (2) the amount transferred during such
13 month to the Build Illinois Fund from the State and Local
14 Sales Tax Reform Fund shall have been less than 1/12 of the
15 Annual Specified Amount, an amount equal to the difference
16 shall be immediately paid into the Build Illinois Fund from
17 other moneys received by the Department pursuant to the Tax
18 Acts; and, further provided, that in no event shall the
19 payments required under the preceding proviso result in
20 aggregate payments into the Build Illinois Fund pursuant to
21 this clause (b) for any fiscal year in excess of the greater
22 of (i) the Tax Act Amount or (ii) the Annual Specified Amount
23 for such fiscal year; and, further provided, that the amounts
24 payable into the Build Illinois Fund under this clause (b)
25 shall be payable only until such time as the aggregate amount
26 on deposit under each trust indenture securing Bonds issued
27 and outstanding pursuant to the Build Illinois Bond Act is
28 sufficient, taking into account any future investment income,
29 to fully provide, in accordance with such indenture, for the
30 defeasance of or the payment of the principal of, premium, if
31 any, and interest on the Bonds secured by such indenture and
32 on any Bonds expected to be issued thereafter and all fees
33 and costs payable with respect thereto, all as certified by
34 the Director of the Bureau of the Budget. If on the last

1	1993	\$0
2	1994	53,000,000
3	1995	58,000,000
4	1996	61,000,000
5	1997	64,000,000
6	1998	68,000,000
7	1999	71,000,000
8	2000	75,000,000
9	2001	80,000,000
10	2002	84,000,000
11	2003	89,000,000
12	2004	93,000,000
13	2005	97,000,000
14	2006	102,000,000
15	2007	108,000,000
16	2008	115,000,000
17	2009	120,000,000
18	2010	126,000,000
19	2011	132,000,000
20	2012	138,000,000
21	2013 and	145,000,000

22 each fiscal year
23 thereafter that bonds
24 are outstanding under
25 Section 13.2 of the
26 Metropolitan Pier and
27 Exposition Authority Act,
28 but not after fiscal year 2029.

29 Beginning July 20, 1993 and in each month of each fiscal
30 year thereafter, one-eighth of the amount requested in the
31 certificate of the Chairman of the Metropolitan Pier and
32 Exposition Authority for that fiscal year, less the amount
33 deposited into the McCormick Place Expansion Project Fund by
34 the State Treasurer in the respective month under subsection

1 (g) of Section 13 of the Metropolitan Pier and Exposition
2 Authority Act, plus cumulative deficiencies in the deposits
3 required under this Section for previous months and years,
4 shall be deposited into the McCormick Place Expansion Project
5 Fund, until the full amount requested for the fiscal year,
6 but not in excess of the amount specified above as "Total
7 Deposit", has been deposited.

8 Subject to payment of amounts into the Build Illinois
9 Fund and the McCormick Place Expansion Project Fund pursuant
10 to the preceding paragraphs or in any amendment thereto
11 hereafter enacted, each month the Department shall pay into
12 the Local Government Distributive Fund 0.4% of the net
13 revenue realized for the preceding month from the 5% general
14 rate or 0.4% of 80% of the net revenue realized for the
15 preceding month from the 6.25% general rate, as the case may
16 be, on the selling price of tangible personal property which
17 amount shall, subject to appropriation, be distributed as
18 provided in Section 2 of the State Revenue Sharing Act. No
19 payments or distributions pursuant to this paragraph shall be
20 made if the tax imposed by this Act on photo processing
21 products is declared unconstitutional, or if the proceeds
22 from such tax are unavailable for distribution because of
23 litigation.

24 Subject to payment of amounts into the Build Illinois
25 Fund, the McCormick Place Expansion Project Fund, and the
26 Local Government Distributive Fund pursuant to the preceding
27 paragraphs or in any amendments thereto hereafter enacted,
28 beginning July 1, 1993, the Department shall each month pay
29 into the Illinois Tax Increment Fund 0.27% of 80% of the net
30 revenue realized for the preceding month from the 6.25%
31 general rate on the selling price of tangible personal
32 property.

33 All remaining moneys received by the Department pursuant
34 to this Act shall be paid as follows: (A) for that portion

1 from Internet sales, phone order sales, and direct-mail
2 sales, 40.15% shall be paid into the Common School Fund,
3 19.7% shall be paid into the Digital Divide Fund, and 40.15%
4 shall be paid into the Information Technology Fund; and (B)
5 the remainder shall be paid into the General Revenue Fund of
6 the State Treasury.

7 As soon as possible after the first day of each month,
8 upon certification of the Department of Revenue, the
9 Comptroller shall order transferred and the Treasurer shall
10 transfer from the General Revenue Fund to the Motor Fuel Tax
11 Fund an amount equal to 1.7% of 80% of the net revenue
12 realized under this Act for the second preceding month.
13 Beginning April 1, 2000, this transfer is no longer required
14 and shall not be made.

15 Net revenue realized for a month shall be the revenue
16 collected by the State pursuant to this Act, less the amount
17 paid out during that month as refunds to taxpayers for
18 overpayment of liability.

19 (Source: P.A. 90-612, eff. 7-8-98; 91-37, eff. 7-1-99; 91-51,
20 eff. 6-30-99; 91-101, eff. 7-12-99; 91-541, eff. 8-13-99;
21 91-872, eff. 7-1-00.)

22 Section 99. Effective date. This Act takes effect on
23 July 1, 2001.